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ABSTRACT

The roots of Appalachia's economic dependency go back to the region's first settlers in the 1730s. Historical and theoretical analysis of this phenomenon is useful in understanding the current status of the area, including, the status of education. The early settler sought a "competency"--enough productive property to support a family. Under preindustrial conditions, dependence on outside markets was not likely to cause impoverishment. But industrialization elsewhere in the United States led to far greater productivity outside Appalachia than inside, followed by unequal exchange of the time and work required to produce units of comparable economic value, thus cheapening the value-in-trade of Appalachia's labor. Appalachia's people could have avoided impoverishment by maintaining their competencies and sustaining themselves through self-sufficiency and local exchange. Unfortunately, farmers practiced partible inheritance and tended to produce large families that continually diminished their competencies. In the early 1900s many men worked away from home in mines, logging camps, and other enterprises, while women ran the farms. In macro terms, this amounted to a process whereby subsistence farming subsidized industrialization in Appalachia by furnishing non-monetized income to industrial workers' families. During the Depression, New Deal relief payments greatly increased Appalachia's import surplus, weaned many people from their customary self-supporting activities, and eroded the mountains' informal economy--networks of subsistence production, bartering, and borrowing. Today, non-monetized networking could be the basis for a new model of voluntary reciprocity that would increase Appalachia's internal purchasing power and subsidize grassroots economic development. This paper contains 25 references. (SV)

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HISTORICAL AND THEORETICAL PERSPECTIVES ON APPALACHIA'S ECONOMIC DEPENDENCY

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The roots of Appalachia's economic dependency go back two centuries beyond the New Deal of the 1930s--back to the region's first white settlers in the 1730s. As Robert D. Mitchell mentions in Commercialism and Frontier, Appalachia's export-oriented production has been dependent on outside markets, and on outside investment money, from its first inception in the Shenandoah Valley of the 1730s.[1]

No such dependence, of course, characterized production within the region for use within the region. But we should bear in [illegible] that neither family self-sufficiency, local self-sufficiency, nor regional self-sufficiency were common ideals among early settlers. It is only in hindsight--only since the 1930s' re-thinking of neo-classical economics--that export-oriented "development" has been seen as helping to impoverish many of the world's exporters.[2]

No, it was not a commitment to avoid a "staples export" syndrome that characterized the economic values of Appalachia's early settlers, but rather a commitment to achieve what was called a "competency"--which meant enough productive property to allow one's family to maintain a comfortable living standard however that might be maintained. If production for export out of the region did help to sustain a competency (through the money or the in-kind payments received in exchange) then nothing in most pioneers' economic values prescribed the least hesitation to produce for export out of the region.[3]

And indeed, under preindustrial conditions (prior, that is, to industrialization anywhere in the United States) dependence on outside markets, and even on outside financing, was not likely to cause impoverishment. But after industrialization elsewhere in the U.S. led to far higher productivity outside Appalachia than within Appalachia

in turning out many of the products consumed inside Appalachia, then what followed was "unequal exchange." What's unequal in "unequal exchange" is the amount of time and work required to produce the same unit of economic value--the same generic axe, for instance, or an equivalent bushel of corn. Since more worktime was required to produce equivalent economic value in Appalachia than in the industrial centers, Appalachia's market-oriented labor was thereby cheapened in economic value. And that entailed not only wage workers in Appalachia receiving lower wages but also a cheapening of the value of the self-employed labor which went into producing axes or corn for local markets. When axes from the North got cheaper, Appalachian craftspeople had to sell their axes cheaper (or fail to sell them).

There nonetheless still remained two possible ways for Appalachia's people to avoid impoverishment. One way was for Appalachia to become a financial center. This emphatically did not occur, however. The other way to avoid impoverishment was for Appalachia's people to maintain their "competencies"--to keep their family farms of sufficient size to sustain themselves in comfort through a mixture of self-sufficiency and exchanges within local networks.

But unfortunately (from the perspective of maintaining competency) during the pioneer era of abundant land it had become customary for Appalachia's farmers to practice partible inheritance--that is, to divide their holdings among all their heirs or, at the least, among all their male heirs. This worked more or less satisfactorily so long as there remained new frontier areas in which the surplus population could re-settle. But after vast new farming frontiers ceased to open, family farms were often not maintained large enough to support a competency.

Household economics--the economics of competency--lost some of

its households due simply to changing cultural mores--a hankering for store-bought goods. Many other households, however, tried to maintain their competencies and yet failed. They tended to produce many children to help with the farmwork, and those children in turn became adults who also produced large families to carry out the many chores. Only vast new farming frontiers could provide all the new competencies this pattern demanded, and such frontiers ceased to open by the 1890s. It was no coincidence that this was also when local products were massively driven out of local markets throughout the U.S. by competing products (both agricultural and manufactured) which were mass produced in the North and the Midwest. By this time, those farmers who could neither mass produce food nor supply speciality markets were well advised to maintain as much self-sufficiency as possible.

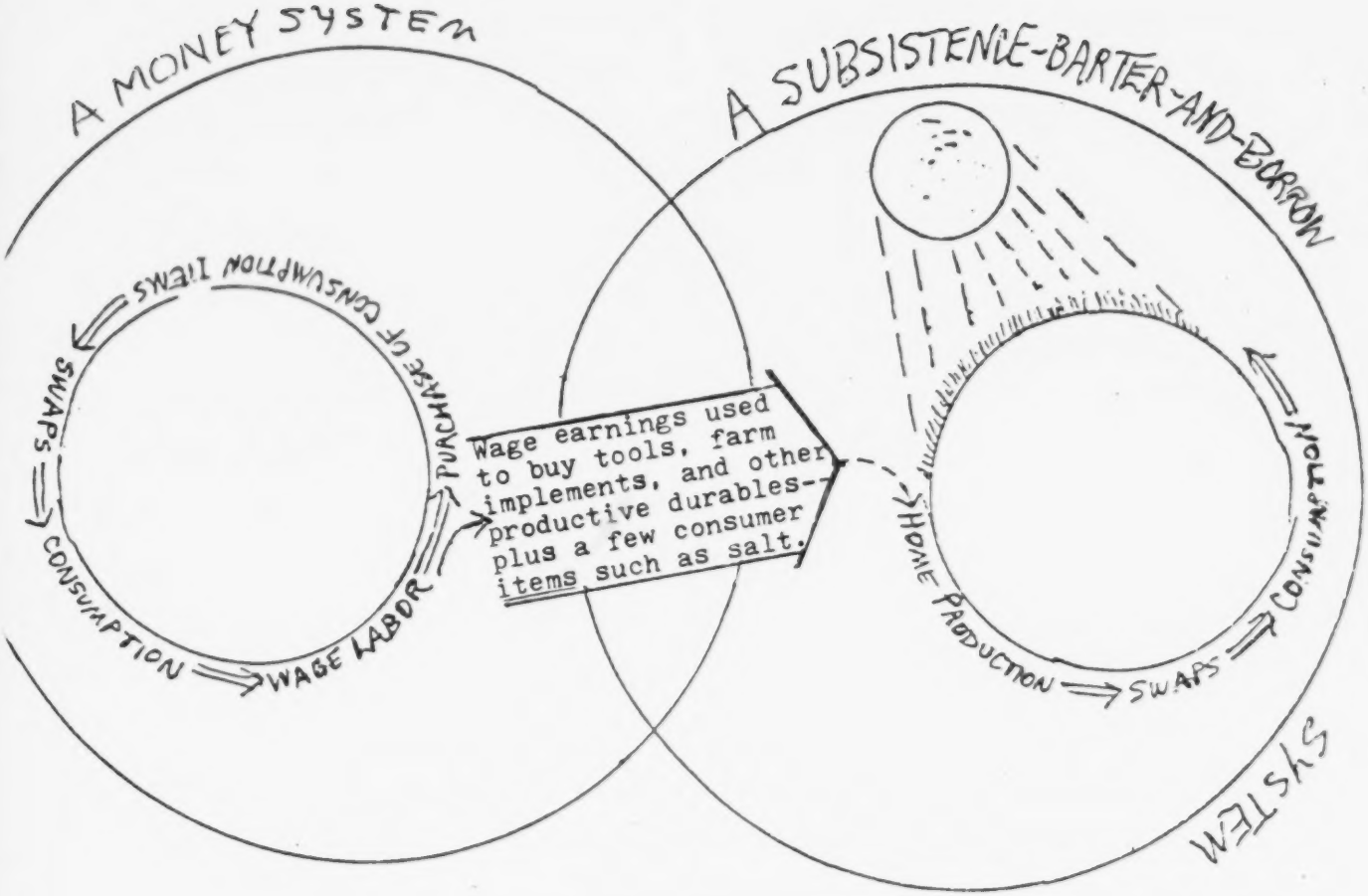
Recently in Appalachian Studies a few economic analyses have emphasized the pitfalls of export-oriented resource extraction, but of course this by its nature is an exercise in marcoeconomics.[4] Meanwhile, most social analyses have been quite "micro." Appalachian social analyses have emphasized family and neighborhood social mores and organization. And since the region's traditional ideology has enjoined patriarchy, evidence of de facto matriarchy (or we might call a temporary matriarchy) has not been pondered as it deserves to be.

If, at any time during the first three decades of this century, one had toured the purely agricultural sections of Appalachia, one would have found the region's preindustrial way of life apparently in full swing. And yet many men in their prime years would have been absent, for in many cases they were working out in mines, logging camps, etc. Women were often running the home places--women usually in their own prime years who were supervising their family's subsis-

tence farming and looking after elders as well as children in the process.[5] What this amounted to in macro terms was a process whereby subsistence farming subsidized the industrialization of Appalachia by furnishing much of the income (non-monetized income, this was) which supported the families of industrial workers.

Permit me a disclaimer at this point. When I say that subsistence farming often "subsidized" Appalachia's industrialization, I am not talking about exploitation. Exploitation has no place in my analysis. It's not a term of reference for me. But subsistence farming "subsidized" Appalachia's industrialization by allowing many industrial operations to compete successfully in markets which they could not have entered had their wage costs been as high as their competitors' wage costs. To say this is not really the same as saying that industrialists or investors "appropriated" value created outside the market system by the families of workers. And I emphasize this because I believe that using "exploitation," "appropriation," and some other Marxist categories of analysis might tend to conceal our present-day option of making constructive use of non-market economics--a subject to which I'm coming. Granted that many coal operators, timber barons, etc. did get richer because their workers were subsidized outside of market relations--but meanwhile, from the perspective of many workers, it was the industrial pay that was serving as a subsidy. Industrial pay was subsidizing their status as independent landowners by plugging gaps in their "competency" which had been opened by farm sub-division, by partible inheritance.

And where--you may start wondering--where does government aid fit into this story. Well, long before the New Deal initiated direct federal aid to some of Appalachia's people, federal aid to Midwesterners in the form of homestead and railroad land grants helped in-


A MONEY SYSTEM
A SUBSISTENCE-BARTER-AND-BORROW SYSTEM
PURCHASE OF CONSUMPTION ITEMS
SWAPS
CONSUMPTION
WAGE LABOR
Wage earnings used to buy tools, farm implements, and other productive durables--plus a few consumer items such as salt.
HOME PRODUCTION
SWAPS
CONSUMPTION

Figure

directly to impoverish Appalachia's people by hastening the exclusion of their farm and shop products from even their own local markets (not to mention markets outside the region). The immense production of food on federally-granted land west of the Mississippi River tended to make farming less profitable for everyone in the country who was already farming. Before the Midwest opened, all evidence indicates that Appalachia marketed a larger percentage of its food output than it was able to market after the Midwest's cheap food exports began invading Appalachia's stores.[6] After the mechanization of the Midwest's export-oriented farming, and then within Appalachia the creation of extractive industries to export coal and timber, etc., most of Appalachia's remaining full-time farmers continued no less dependent than they had always been on their local non-market exchanges--their local networks of voluntary reciprocity that Mary Beth Pudup has called an "informal economy" and that I call "subsistence-barter-and-borrow systems." [See Figure.] Even most wage-earning families continued subsistence farming on the side.[7]

How, then, did the New Deal's relief payments interact with this situation within Appalachia. First, the relief payments made to Appalachia's unemployed and underemployed miners, and other wage workers, were absolutely necessary--for wage workers were obviously dependent on money income for their livelihoods. But full-time subsistence farmers--to the extent that they still maintained a competency (often a very large extent)--were not dependent on money income except for their land taxes, which were low. Nonetheless, their low money income could qualify them for New Deal relief even if their landholdings and other productive assets had substantial value.

After the initial New Deal relief payments, many of Appalachia's farm people did not reapply for them but yet continued to receive relief checks. In April 1934 West Virginia's head relief administrator admitted to Harry Hopkins that local relief workers in "some counties have not investigated in six months. They keep sending checks week after week

to the same people."[8] A month later that administrator warned West Virginia's relief personnel that thousands of dollars were being dispersed unnecessarily. "One rural county," he told them, "with 1000 relief cases on April 1st [1934] which had been receiving relief for many months, found on the 20th of April that less than 300 of them had reapplied for relief"--leading the administrator to lament that "a tremendous amount of public funds had been utterly wasted" and in the process "many people pauperized thereby."[9]

Unfortunately the admistrator did not identify the county to which he was referring, but I suspect it may well have been my home county, West Virginia's Lincoln County. This was (and remains) a predominantly agricultural rather than industrial county. Indeed, the proportion of the population placed on relief (although not necessarily the size of their relief payments) stood highest often in the least industrial of Appalachia's counties. Already by July 1933, twelve West Virginia counties had seen over 45 percent of their households placed on relief, but only four of those counties had even 30 percent of their workforce in mining, whereas nine of them had at least 30 percent of their workers classified as agricultural. West Virginia's Lincoln County, for instance, with 84 percent of its households on relief as of July 1933, had a workforce classified as 60 percent agricultural.

The amounts of relief payments then leapt enormously during the winter 1933-1934 work relief projects of the Civilian Works Administration. After that outlay ended in the spring of 1934, Lincoln County's head relief administrator allowed hundreds of ineligible households to be reinstated on non-work relief. During the summer of 1934 that administrator was fired and the rolls were cut back 30 percent, but, as of June 1935, 44.5 percent of Lincoln County's

households were still receiving relief.

By that time, Wayne County (next door to Lincoln) had succeeded Lincoln as West Virginia's county with the highest percentage of households on relief (47 percent, and receiving about $15 a month on average). Wayne County's workforce was classified as 45 percent agricultural. Lincoln County, with 44.5 percent of its workers on relief (averaging $9.70 a month) was as we've seen 60 percent agricultural. And Calhoun, the third-ranking county with 42.5 percent of its households on relief (averaging $12 a month) was 65 percent agricultural. (And it would take over $100 now to buy what $12 bought then.)

Official indifference toward the region's low-money economic networks can be surmised from official reports. Of Wayne County, an October 1934 report asserted that the percentage of local residents on relief "will probably run high until such time as constructive social planning makes possible the absorption of the population into self-supporting activities."[10] While waiting for such planned "self-supporting activities," however, some people were being weaned by relief payments from their customary self-supporting activities which were not denominated in money and thus were not necessarily noticed by relief officials.

For some few farm families, admittedly, an increased money income could underwrite self-help. At the well-funded level of the Rural Rehabilitation program, for example, federal aid did often improve farm families' long-term economic security and living standard. But Rural Rehabilitation involved large outlays of supervised credit for each family involved, and thus it could reach only a few thousand farm families per state.[11]

One of the macroeconomic regional results of massive federal aid was an increase in Appalachia's import surplus. Theoretically,

relief funds were not all federally provided but included a significant contribution of state and local matching funds. Appalachian states, however, contributed far less in state and local matching funds than most states. From March 1933 through the end of 1937, $183 billion was dispensed in West Virginia for relief--which in today's values would translate to over $1.5 billion. This outlay was divided among ordinary relief, work relief, the Civilian Conservation Corps, the National Youth Administration, Rural Rehabilitation programs, etc. And 87 percent of it was contributed by the federal government. Meanwhile, in the six other states that encompassed Appalachian sections, the federal contribution averaged still higher, 89 percent. But in the rest of the U.S. the federal contribution averaged much lower, below 72 percent.[12]

Not only was Appalachia's import surplus soaring but, ominously, by 1935 social workers in the mountain region were finding that (as one report put it) "most employers will not hire persons who have been on relief for extended periods."[13] And in May 1935 the demoralizing effects nationwide of unearned relief payments inspired the Roosevelt Administration to phase out unearned federal relief and to institute the Works Progress Administration (WPA). This was sound psychology, for subsequent studies have demonstrated that (in the words of one study) "charity wounds him who receives."[14] But in macroeconomic perspective, the WPA's work relief continued (indeed hastened with its far higher payments) the rise of Appalachia's import surplus. And it also hastened another trend--the erosion of of the mountains' low-money "informal economy," the region's "subsistence-barter-and-borrow" networks. [See Figure.] To full-time mountain farmers who often had little need for money, the WPA paid wages as high as it paid to anyone else--30 cents an hour until June 1936

and forty cents an hour thereafter.[15] Although rural WPA employees were allowed only fifteen hours of work per week (whereas urban WPA employees were allowed twenty-four hours per week) nonetheless fifteen hours a week at forty cents an hour yielded $26 a month. And if this imcome was supplemented by a further $25 a month (the minimum received by families with a son in the Civilian Conservation Corps) the total of $51 a month would have been equivalent in today's values to $433 a month.

Please don't suppose that I begrudge those people that money. My point is that such relief payments, if made to full-time farm families, were often not serving as compensation for a shortfall in home-based competency but rather were tending to <u>create</u> a shortfall in home-based competency. Although many mountaineers admittedly remember the WPA with foundness, others do not. Claude Dillon of the Marrowbone Creek neighborhood of Mingo County, West Virginia, came to feel that "the public works programs that were prescribed to put people to work, simply took them away from farm life, took them away from the self-sufficient way to do things."[16] And a storekeeper in Lincoln County, West Virginia, reflected later that "it was the WPA that started farming on its downhill path all around here. The WPA paid farmers to work on the roads, and work on this and that, till they started counting on that money and neglecting their land."[17]

By 1942, when nine years of government aid terminated, many farm families found they had grown quite dependent on regular money income. Many of these farm families then followed the trail of government largess and took defense-related jobs outside Appalachia. From 1940 to 1960, net migration from the Appalachian region totalled 1,700,000 people--which was 31.5 percent of the region's 1940 population.[18]

Now, it would be quite easy to make a case that the American economy had exploited these people more when their lives were centered at their mountain farms than it was able to exploit them later when they had left Appalachia and when thus their employers had to pay them a better wage, a more nearly family-supporting wage. But let me point out that to be less exploited is not necessarily to be better off. How gladly did these people undergo the transformation of their way of life? How willingly did they abandon a way of life suffused with voluntary reciprocity in economic relations and enter a way of life virtually devoid of voluntary reciprocity, a life mediated instead by binding contracts?

In any case, the question is not whether to applaud or condemn the New Deal but how to analyze it (along with the rest of Appalachia's past) in such a way as to gain insights applicable to our own situation today. Today our national economic priority should be, I believe, to minimize our horrendously bloated production of U.S. dollars--which at an alarming rate are flowing out into the hands of foreigners who can use them to buy up productive assets within the United States. To minimize the production of dollars will require that a large percentage of intra-U.S. economic exchanges be de-monetized, or at least de-dollarized. But the question then becomes <u>how</u> exchanges within the U.S. should be de-dollarized. Is it necessary that some new corporatist vision of "America, Inc." be propagated in the spirit of Louis Kelso?[19] Or can a significant portion of our intra-U.S. exchanges be de-dollarized through a revival of voluntary reciprocity--of the kind of voluntary reciprocity that pervaded rural America before the twentieth century and which still remains common in much of Appalachia.

The contrast between the New Deal and what we now need to do is

twofold. First, we should be thinking now about grassroots economic development rather than primarily (like the New Deal) about reviving U.S. markets for major U.S. commodities. The problem now isn't simply to get purchasing power into American communities but also to get competitive products to come out of American communities. One of the main ways the New Deal injected purchasing power into American communities was through public works projects--and we should not dismiss public works as necessarily contradictory to getting competitive products out of American communities. But, on a cautionary note, listen to these thoughts from E. F. Schumacher's 1973 book Small Is Beautiful:

> Poverty means that markets are small and there is very little free purchasing power. All the purchasing power that exists already, is, as it were, bespoken, and if I start a new production of, say, sandals or shoes in a poor area, my fellow sufferers in the area will not have any money to buy the shoes when I have made them. Production is sometimes easier to start than it is to find markets, and then, of course, we get very quickly the advice to produce for export, because exports are mainly for rich countries and their purchasing power is plentiful.[20]

Where Schumacher writes "rich countries" here, we can make his point relevant to the Appalachian situation by thinking of "rich regions" which possess plentiful purchasing power. But rather than assuming that Appalachia must produce for export only what rich regions want from us, there does exist an alternative means of starting to build up Appalachia's own internal purchasing power--and this means is public works of the New Deal sort. Regarding this Schumacher says:

> If you can get new purchasing power into a rural community by way of a public works programme financed from outside, see to it that the fullest possible use is made of the "multiplier effect." The people employed on the public works want to spend

> their wages on "wages goods", that is to say, consumers' goods of all kinds. If these wages goods can be locally produced, the new purchasing power made available through the public works programme does not seep away but goes on circulating in the local market, and the total employment effect could be prodigious.[21]

All well and good, but how can a local "multiplier effect" be established and maintained? Schumacher points out that

> if I start new production in a poor country [read "region"] there can be no local market for my products unless I divert the flow of purchasing power from some other product to mine. A dozen different productions should all be started together: then for every one of the twelve producers the other eleven would be his market. There would be additional purchasing power to absorb the additional output. But it is extremely difficult to start many activities at once.[22]

Yes, it <u>is</u> difficult to start many activities at once. In fact, to do this in a poor area like Appalachia might well require de-dollarizing a lot of how we think about "purchasing power" within the region. To do what's needed--to start many activities at once--may well require using monies-of-account rather than dollars for a lot of our intra-Appalachian economic exchanges.

Back in 1933, when the Tennessee Valley Authority was created, the TVA's first chairman, Arthur Morgan, put his mind to this challange in its particular Appalachian context. Here are some of Morgan's reflections from a famous speech he delivered at the University of Tennessee in Knoxville in November 1933. Like E. F. Schumacher forty years later, Arthur Morgan used shoes to help illustrate his idea:

> Suppose you want to build and operate a shoe factory in some part of this region, and in another town, furniture, in another clothes, etc. You might think, "We have people here

doing nothing, and they might as well be producing; they might as well be making their own goods, lifting themselves out of the economic depression. If we can make shoes, we can wear more shoes; we can make shoes for each other; and so with other goods which we go without now. We can have our own economy in our little world."

But suppose the shoe dealer starts to make shoes; suppose he wants to sell them over where the furniture is made; the trouble is that he is not a part of the existing industrial organization; his shoes have to go back to the jobber; but the jobber already has his arrangements with a big St. Louis manufacturer, so when you buy shoes at the local store in the community where furniture is made, you find they are from St. Louis and not from the nearby community. And the furniture dealer also has to go through the ordered channels, through the wholesaler, who is connected with the big factories; and so in the shoe town he is squeezed out. Because of these deeply worn channels of trade, nearly all leading into and out of the big business and industrial centers, it seems necessary to set up a new economy if we are to deal with ourselves and for ourselves. When we talk of balancing agriculture and industry by making things which can be consumed in this country, when we talk about having the people consume what they produce, we run into these difficulties. There are no roads going our way.

What is the answer to that situation? Does it mean that this region must always continue to be a vassal of the big centers? Is there any other answer?

No single answer will do. I do not think starting a local shoe factory, trying to serve the neighbors with shoes, will do if it is done alone. I do not think any furniture factory for local consumption is going to do a satisfactory business alone. Either the product will go into the channels of trade and when the furniture gets back here it will have 50% to 75% overhead added and it will be crowded out by the products of big industry, or else we shall have to create channels for ourselves. I think it is not impossible to create new channels.

I believe that to a certain limited degree this region might well set up its own local economy. It can produce its own goods and deal with itself. But if a region is going to build up a new economy by making things it needs at home, it will in a limited

sense have to build up a whole economy and not a fragment of an economy. If I were going to build up a whole economy, it would be somewhat in the following manner:

I would build a cooperative of some sort. I would have a central purchasing organization, a central sales organization, a distributing organization, and I think I'd have that cooperative organization have its own tokens of credit,--a sort of local money.

If a local shoe manufacturer should sell shoes to a cooperative, he would get cooperative money, not United States money, at least for part of his payment. The same would be true of the clothing manufacturer, and of all the others. If a man should go to buy shoes he could use this kind of local money in which the shoes were paid for. That money would not be good at a distance, and so those who sell things for home consumption could be paid only by buying other things made for home consumption. In that way home shoes would in some degree outlaw St. Louis shoes.

I would have everybody who was producing for home consumption as a part of this cooperative paid at least in part in the money of the cooperative, so there would be a kind of money that would buy the things we made ourselves but not buy the things outsiders make. In that way we would be compelled to buy from each other. Not all business would be done this way. Legal money would also be necessary. I believe this compulsion to buy from each other may be necessary in order to break across the deep worn channels of trade which all lead into and out of the great commercial centers. Such compulsion would be better than the present compulsion of sitting at home in idleness, buying nothing because we have nothing to sell.

As I think it over, I believe it is going to be almost necessary to have that element of local exchange, because otherwise, after your shoe manufacturer has made shoes and has turned them in to the Cooperative he will get money for them and will buy Grand Rapids furniture; and the furniture manufacturer, after he has made furniture, unless he were paid in credits good only for home products he would buy his shoes from the St. Louis trade and not the local shoes. Soon the local money would be gone, local goods would be unsold, local factories closed, and every one idle and unable to buy.

> Now whether this thing can be done, I do not know. But if we are going to build up a local economy, if we are going to be somewhat independent of mass production, I believe we are going to have to go all the way and develop our own tokens of local credit, as well as our own distributing center, our own purchasing center, and our own credit system that will make the exchange.[23]

The New Deal did not make use of Arthur Morgan's suggestions along this line, and in fact he later traced his eventual ouster from the TVA partly to this 1933 speech.[24] I quote the speech at such length because of its obvious relevance to the problems which still confront Appalachia almost sixty years after Morgan spoke. One bright spot among our present options is that computers have probably eliminated any need to issue a local currency in order to conduct local economic exchanges. In various parts of the U.S. and Canada, membership groups which call themselves Local Economic Trading Systems (LETS) are operating now like non-money banks which record their members' deposits that take the form not of money but of labor and goods provided to other members. Withdrawals then take the form of labor and goods received from fellow members. The groups generally expand only to about 200 members, including individuals and households. The members receive monthly statements in the form of computer printouts which report their non-money deposits and withdrawals during the previous month, along with their running balance. Such systems are now functioning also in some cities under the name of "Service Credits" for hospital/health volunteers, whose hours of service earn them the right to that many hours of received help when and if they themselves need help.[25]

All such arrangements help to minimize the number of dollars needed for economic exchanges within the U.S. The model for such voluntary reciprocity is the informal, non-monetized networking which helped to subsidize America's initial industrialization and which we need

now to revive if we are to regain our local, regional, and national solvency in an increasingly competitive world.

NOTES

[1]Robert D. Mitchell, Commercialism and Frontier: Perspectives on the Early Shenandoah Valley (Charlottesville: University Press of Virginia, 1977), pp. 8, 153-55, 228-29, 236-37.

[2]On the 1930s origins of a critique of export-oriented development, see Joseph L. Love, "Raúl Prebisch and the Origins of the Doctrine of Unequal Exchange," Latin American Research Review 15, No. 3 (1980): 45-72. See especially pp. 47-63.

[3]See the recent explication of these issues in Daniel Vickers, "Competency and Competition: Economic Culture in Early America," William and Mary Quarterly, 3rd series, 47 (January 1990): 3-4, 13-29.

[4]See, for example, Richard Mark Simon, "The Development of Underdevelopment: The Coal Industry and Its Effect on the West Virginia Economy, 1880-1930," Ph.D. dissertation, University of Pittsburgh, 1978.

[5]See, for example, Jacquelyn Dowd Hall, "Disorderly Women: Gender and Labor Militancy in the Appalachian South," Journal of American History 73 (1986): 359, 371. On recent times, see Laurel Shackleford and Bill Weinberg, eds., Our Appalachia (New York: Hill & Wang, 1977), pp. 307-12.

[6]On this question of competition from Midwestern food producers, see Mary Beth Pudup, "The Limits of Subsistence: Agriculture and Industry in Central Appalachia," Unpublished paper, 1988, 11, 13. Also see Joe Cummings, "Community and the Nature of Change: Sevier County, Tennessee, in the 1890's," East Tennessee Historical Society's Publications 58-59 (1986-87): 70-75. On the sort of products carried by coal company stores in the 1920s, see Edward Eyre Hunt, ed., What the Coal Commission Found (Baltimore: Williams & Wilkins, 1925), pp. 152-53.

and

[7]Hall, "Disorderly Women," 359-61; David Alan Corbin, Life, Work, and Rebellion in the Coal Fields (Urbana: University of Illinois Press, 1981), pp. 33-35

[8]William N. Beehler (W. Va. Relief Administrator) to Harry Hopkins, 4 April 1934; in National Archives [hereafter NA]; files of the Federal Emergency Relief Administration [hereafter FERA] (Record Group [hereafter RG] 69); State Files; West Virginia; Box 312; Folder Series 400.

[9]William N. Beehler, Office of Administrator, General Bulletin No. 56 (1934 Series), p. 1. Copy in the papers of H. G. Kump (governor of W. Va.); West Virginia Collection, West Virginia University; A. & M. No. 1609; Box 45; Folder "1934, May 12-19."

[10]West Virginia Relief Administration, "Monthly Bulletin of Relief Statistics," Vol. 2, No. 5 (May 1935), p. 13 incl. map; and Vol. 2, No. 6 (June 1935), p. 19 map; in NA; FERA (RG 69); State Files; West Virginia; Box 312; Folder Series 401. The "percent agricultural," by county, taken from "West Virginia July 1933: Counties Having Very High Percentage of Families on Relief Rolls"; NA; FERA (RG 69); State Files; West Virginia; Box 312; Special folder "Materials taken by Mr. Hopkins on his S.W. trip in August [1933]." Also used here is a report on West Virginia's county-by-county relief fluctuations [filed 8-10 October 1934]; NA; FERA; (RG 69); State Files; West Virginia; Box 311; Folder Series 400.

[11]On the Rural Rehabilitation program nationwide, see Sidney Baldwin, Poverty and Politics: The Rise and Decline of the Farm Security Administration (Chapel Hill: University of North Carolina Press, 1968), pp. 61-65, 91-94, 106-8, 199-214. On the Rural Rehabilitation program in West Virginia see William N. Beehler, General Bulletin N. 56 (1934 Series), pp. 1-4. Copy in the papers of H. G. Kump; Box 45; Folder "1934, May 12-19."

[12]Calculated from data in Ronald L. Heinemann, Depression and New Deal in Virginia: The Enduring Dominion (Charlottesville: University Press of Virginia, 1983), pp. 202-3 table.

[13]Irene Conley (County Worker), "Survey of the Rural Relief Situation for Johnson County, Kentucky," October 1935, p. 15; NA; Bureau of Agricultural Economics [hereafter BAE] (RG 83); Rural Relief Studies (RG 83, entry 156); Box 5; Folder "Johnson Co., Ky."

[14]Marcel Mauss, The Gift: Forms and Functions of Exchange in Archaic Societies, trans. Ian Cunnison (Glencoe, IL: The Free Press, 1954), p. 63. See also pp. 10-11, 34-41. In addition, for the 1930s, see Searle F. Charles, Minister of Relief: Harry Hopkins and the Depression (Syracuse: Syracuse University Press, 1963), p. 101.

[15]Surveys of the Rural Relief Situation for Johnson, Knox, and Rowan Counties, Kentucky, October 1935; NA; BAE (RG 83); Rural Relief Studies (RG 83, entry 156); Box 5.

[16]Claude Dillon, quoted in Michael T. Tierney, "Bread on the Water: Education in an Isolated Mountain Community," Human Services in the Rural Environment 8, No. 3 (Winter 1983): 7.

[17]Ray Gene Black, manager of Black Brothers General Merchandise store at Myra, WV, in June 1983 interview with the author.

[18]James S. Brown and George A. Hillary, Jr., "The Great Migration, 1940-1960," in The Southern Appalachian Region: A Survey, ed. Thomas R. Ford (Lexington: University of Kentucky Press, 1962), pp. 55-60 incl. tables. For the definition of Appalachia used, see p. 4 map in the same volume.

[19]See, most recently, Louis O. Kelso and Patricia Hetter Kelso, Democracy and Economic Power: Extending the ESOP Revolution (Cambridge: Ballinger Pub. Co., 1986). Also see Stuart M. Speiser, A Piece of the Action: A Plan to Provide Every Family with a $100,000 Stake in the Economy (New York: Van Norstrand Reinhold, 1977).

[20]E. F. Schumacher, Small Is Beautiful: Economics as if People Mattered (New York: Harper & Row, 1973), p. 203.

[21]Ibid., pp. 204-5.

[22]Ibid., p. 204.

[23]Arthur E. Morgan, "Group Industries' Problems and Their Solution," speech at Ferris Hall, University of Tennessee at Knoxville, 9 November 1933. Copy in the TVA Technical Library, Knoxville, in

Arthur E. Morgan, "Speeches and Writings," Vol. 1 (of 2), Section 4.

[24]Arthur E. Morgan, The Making of the TVA (Buffalo: Prometheus Books, 1974), p. 58; and conversation between Morgan and the author, June 1973.

[25]See "Credit for Good Deeds: Golden Rules of Barter," Newsweek, 15 January 1990, p. 61.